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CONFIDENTIAL CARACAS 001298

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Classified By: INFORMATION OFFICER BRIAN PENN FOR REASON 1.4 (D)

Summary

11. (C) President Hugo Chavez has been vigorously pushing for the creation of TELESUR, a hemisphere-wide, multi-national, Latin American satellite television network, to offer a different point of view from CNN. TELESUR would promote GOV interests, and it would promote Chavez,s ambitions for continental leadership were it to be successful. It would seek to displace private media, and it would promote endogenous, (non-U.S.) cultural development. The president of TELESUR is Chavez,s Minister of Information and Communication, Andres Izarra. The network,s director general is Aram Aharonian; a radical Uruguayan exile that a knowledgeable foreign correspondent believes has links to Cuban G-2. When Minister Izarra announced that AL JAZEERA would be opening an office in Caracas he implied that TELESUR would be collaborating with the Arab television network. The actual date for beginning TELESUR operations is uncertain, having been moved from January, to March, to April, and now to July. The network plans to have its headquarters in Caracas, and bureaus or correspondents in Bogota, Brasilia, Buenos Aires, Lima, Mexico City, Havana, and Los Angeles. The economics appear to be the murkiest part with director general Aharonian estimating start-up capital of around 5-10 million dollars, coming principally from Venezuela but with major contributions from Brazil and Argentina. END SUMMARY

Chavez wants his CNN

12. (C) Venezuelan President Hugo Chavez believes CNN,s coverage of world events is biased and distorts reality, thus proving the need for a network that will report on Latin American from a Latin American perspective. TELESUR conceived as a consortium between Venezuela, Brazil and Argentina, is Chavez,s response. At a February 05 lunch, TELESUR director general Aram Aharonian told PAS officers that Venezuela will control 51 percent of TELESUR, with Argentina and Brazil each having 20 percent control, the rest will come from private investors or other countries. Recent press reports indicate Cuban and Uruguayan participation. Its international directorate has been announced as Venezuelan Communication and Information Minister Andres Izarra as President, Aharonian as General Manager, Colombian Jorge Enrique Botero as director of information, Ana de Excalom from Channel 7 in Buenos Aires, Beto Almeida from Brazil,s journalist guild, and Ovidio Cabrera, ex-vice president of Radio TV of Cuba. Aharonian has denied that the various governments will control the network. The station will be about half news programs. Aharonian told PAS officers that he also plans to have sports, documentary, and entertainment programming, and that there will be dignified discussion programs but no editorials. He told the media in March that another project connected with the network, the Factory of Latin American Contents (FLACO), will look for documentaries and other content for the station. TELESUR will broadcast in Spanish and Portuguese.

The Cuban connection and Aharonian

13. (C) Director General Aram Aharonian came to Caracas as a part of a wave of Uruguayan Tupamaro exiles in the 1980s. foreign correspondent familiar with the Caracas scene has told us that he strongly believes that Aharonian has formal or informal ties with Cuban G-2. He notes that Aharonian originally came to Caracas in the 1980s to open a PRENSA

LATINA office. He described Aharonian as a classic back stabber, an untrustworthy friend and a bad enemy to have. says Aharonian is noted for his tyrannical management style. Aharonian is a print journalist with very limited TV experience. Besides PRENSA LATINA he has reported for the Uruguayan magazine BRECHA, the Mexican paper PROCESO, and has his own website RED VOLTAIRE. He is a former head of the Caracas foreign press association. Cuban State TV official Ovidio Cabrera also has a prominent place on the TELESUR board.

The AL JAZEERA connection

14. (U) On April 6 Minister of Communications and Information Andres Izarra announced that the Emir of Qatar, Sheik Hamid bin Khalifa would visit Caracas on May 11 and that among the items to be discussed during the visit would be details concerning the opening of an AL JAZEERA office in Caracas. Izarra noted that AL JAZEERA would be expanding its coverage of Latin America and would begin broadcasting in English in addition to Arabic. He indicated that there would be collaboration between TELESUR and AL JAZEERA. Several foreign correspondents have told PAS officers that a female journalist representing AL JAZEERA has attended many GOV press conferences and participated in VTV (government-owned TV station) talk programs. It is unknown whether she is resident or not, but she is not a member of APEX, the foreign press association in Caracas. A knowledgeable foreign correspondent suggests an AL JAZEERA correspondent would be more likely to join AVIP, the GOV backed press association headed by Syrian national Fadi Salloum. Salloum publishes the Caracas Spanish-Arabic language paper EL VOCERO DEL CAMBIO.

The Economics of TELESUR

- 15. (U) The murkiest part of TELESUR is how it will be funded and do the figures add up. Aharonian has indicated to PAS officers and the media an initial capital outlay by the Venezuelan of 2.5-3 million dollars. If you add to that possible proportional contributions based on ownership percentage from Brazil and Argentina, the total start up capital is still well under 10 million dollars. TELESUR will undoubtedly benefit from in-kind contributions, including equipment and space from Venezuelan state television. Aharonian told PAS officers that he will hold down expenses by using simple digital cameras and editing equipment. He said he would get a cut-rate satellite deal. Many observers believe TELESUR will eventually get a no-rate satellite deal by using the satellite that Venezuela is reportedly buying from China. Aharonian has repeatedly told the press that TELESUR views government money as seed money only. Aharonian expects that parastatal industries and private companies will invest in TELESUR, and Aharonian has already mentioned state oil companies such as Venezuelan PDVSA and Brazilian PetroBras as having made unsolicited commitments. Aharonian told PAS officers that he is a great admirer of PBS and, while rejecting the idea of advertising, would not mind having companies sponsor, programs on TELESUR, as they do on American public broadcasting.
- 16. (U) Symptomatic of the problems TELESUR is having are the changing estimated dates for the first on-air broadcast. In January 2005 Minister Izarra said by March 2005, in February Aharonian told PAS officers April, latest press reports say test transmissions in May followed by regular broadcasting in July.

Comment: the birth of Al-Chavezeera?

 \P 7. (C) Chavez has steadily increased participation in the television industry in the past year through the creation of

two new domestic channels (one of them a National Assembly version of C-Span). While TELESUR may now appear to have weak legs, we do not discount that it will indeed reach the air in the future. Combine Chavez,s intense desire to have his own CNN, the majority position of Venezuelan government, the political predilection of station,s director general, and the Cuban connection, and there is no doubt that TELESUR will be the Chavez News Network. Whether it draws anything but a niche market is questionable. Aharonian knows what is needed to draw regular viewers. However, the stated budget combined with Aharonian,s complete lack of experience in managing a television operation count against creating the sort of slick operation needed to gain viewers. Aharonian admits that he would like to get major sporting events but lacks the necessary funds. If Chavez decided to drop much more money into the operation, either directly or through state industry sponsorship, this evaluation could change. It is difficult to see what role AL JAZEERA could play with TELESUR. The most likely is providing provocative film footage from the Middle East to be dubbed into Spanish

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